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VOLKSWAGEN



AUDI

October 17, 2003

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Mr. Eric Stas
Office of Chief Counsel (NCC-112)
Room 5219
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, DC 20590

DOCKET No. NHTSA-2000-85727

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Subject: Tire Pressure Monitoring System Special Order

Dear Mr. Stas,

This responds to your letter dated September 9, 2003 requesting Volkswagen of America's (VWoA) plans for installing a Tire Pressure Monitoring System (TPMS) through the 2008 model year. The preliminary plans as they existed before the U.S. Court of Appeals for the Second Circuit vacated the rule were based on reporting period. VWoA is providing plans by model year in direct response to the NHTSA Special Order inquiry. These may not necessarily coincide with the phase-in periods of FMVSS No. 138 (12 months each November 1st through October 31st of each year).

As the Alliance of Automobile Manufacturers advised NHTSA and the Office of Management and Budget in its September 5, 2003 comments on the Special Order under the Paperwork Reduction Act, VWoA's plans were predicated on the assumption that the major issues raised by the Alliance in its July 22, 2002 petition for reconsideration of FMVSS No. 138 would be resolved satisfactorily.

VWoA is particularly concerned about the requirement to certify compliance with "any" replacement tire of the same size as the original vehicle tire. The plans described in the enclosed response do not contemplate the need for any certification tests beyond those needed to certify with original equipment tires under the test procedures proposed by the Alliance in its July 2002 petition for reconsideration. Because a requirement to certify with "any" replacement tire of the same size is impracticable, VWoA did not have a plan to comply with that requirement. Even if NHTSA modifies that requirement to a more limited number of replacement tires or to adopt the definition of "replacement tire" recommended by the Alliance, VWoA will require additional lead time to perform the additional certification tests and TPMS system calibration that would be required by any such decision. Thus, the enclosed product plans are not necessarily valid for use in developing a new phase-in schedule for FMVSS No. 138, if NHTSA was

not planning on revising the replacement tire requirement and the test procedures identified in the July 22, 2002 petition for reconsideration.

VWoA is an importer for Volkswagen AG, AUDI AG, and is additionally reporting for Bentley Motors. VWoA itself does not possess the information required to respond to all of your interrogatories. Some of this information, to the extent that it is available and responsive, is maintained by the manufacturers. In concurrence with your letter, we have requested information from all of these sources.

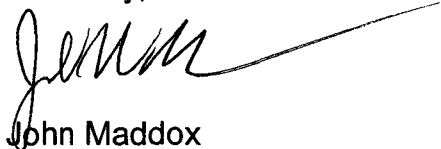
Based on our understanding of 49 CFR 512 (2003), our answers involve vehicle plans and production figures for future models (as defined in Appendix B of 49 CFR 512). As such, these documents are entitled to confidential treatment under 49 CFR 512.16 (2003), because release of this information will cause substantial competitive harm to Volkswagen. Pursuant to the instructions provided by Mr. Otto Matheke of NHTSA (via telephone) on the morning of 10/15/2003, we have marked our answers for your convenience **confidential**.

The information that was requested in the Special Order for AUDI AG is included as Attachment #1, Volkswagen AG's information is included as Attachment #2, and Bentley Motors' information is included as Attachment #3.

In response to Interrogatory 2, Volkswagen and Bentley Motors did not produce any vehicle equipped with a TPMS until the 2004 model year Volkswagen Phaeton and Touareg and Bentley Continental GT for the United States market. The system installed on these vehicles does not comply with the display requirements of the FMVSS No. 138 that was published on June 5, 2002. Our plans to modify the TPMS in these vehicles were halted due to the legal uncertainty of the rulemaking relating to the TPMS. Please note that the 2005 model year Volkswagen Phaeton and Touareg and Bentley Continental GT will be equipped with a modified TPMS system that meets the FMVSS 138 display requirements.

In response to Interrogatory 4, Volkswagen AG, AUDI AG, and Bentley Motors do not have specific data for some future model years regarding the capacities per model and the associated delivery agreements with each supplier. Therefore, the information is provided based upon a projection using our general capacity agreements with our suppliers where they exist. These agreements state the supplier is to equip up to 100% of the estimated sales for each model.

Sincerely,



John Maddox
Product Compliance

Enclosures

Attachment #1

n/a = not applicable

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Response 1: 2001 - 2003 production**Attachment #2**

Manufacturer		Model Year 2001		Model Year 2002		Model Year 2003	
Make/Model	Vehicle Type	Indirect	Direct	Indirect	Direct	Indirect	Direct
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

n/a = not applicable

Figures based on model year

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Response 2: estimated production of vehicles

Attachment #2

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Response 2: estimated production of vehicles

Attachment #2

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Response 1: 2001 - 2003 production**Attachment #3**

Manufacturer		Model Year 2001		Model Year 2002		Model Year 2003	
Make/Model	Vehicle Type	Indirect	Direct	Indirect	Direct	Indirect	Direct
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

n/a = not applicable

Figures based on model year

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Response 2: estimated production of vehicles

Attachment #3

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Response 2: estimated production of vehicles

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Response 3: percentage

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Response 4: supplier

Attachment #3

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